

BASERA PROPERTIES L.L.C
DUBAI - UAE

FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED DECEMBER 31, 2023

BASERA PROPERTIES L.L.C
DUBAI - UAE
FINANCIAL STATEMENTS AND
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FOR THE YEAR ENDED DECEMBER 31, 2023

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INDEPENDENT AUDITOR'S REPORT

To
The Shareholders
BASERA PROPERTIES L.L.C
DUBAI – U.A.E.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **BASERA PROPERTIES L.L.C** (the "Company"), which comprise the statement of financial position as at 31 December 2023 and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of **BASERA PROPERTIES L.L.C** as at 31 December 2023 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (**IFRSs**).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (**ISAs**). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (**IESBA**) Code and we have fulfilled our other ethical responsibilities in accordance with these requirements and the **IESBA** Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Management and the Board of Directors for the financial statements

The Management and the Board of Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards issued by the **IASB**, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Management and the Board of Directors are responsible for overseeing the Company's financial reporting process.

Key Audit Matters

KAM are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements.

The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate for the circumstances, but not for the purpose of expressing an Opinion on the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Report on Other Legal and Regulatory Requirements

We also confirm that, in our opinion, the financial statements include in all material respects, the applicable requirements of the UAE Commercial Companies Law of 2015 (as amended) and the articles of association of the Company; proper books of account have been kept by the Company and the contents of the report of the Board of Directors relating to these financial statement are consistent with the books of account. We have obtained all the information and explanations which we required for the purpose of our audit and, to the best of our knowledge and belief, no violation of the UAE Commercial Companies Law of 2015 (as amended) or of the article of association of the Company have occurred during the year which would have a material effect on the business of the Company or on its financial position.

For NBN AUDITING OF ACCOUNTS

LICENCE No. 817951
REG NO 509



BASERA PROPERTIES

DUBAI - UAE

BALANCE SHEET AS AT DECEMBER 31, 2023

<u>ASSETS</u>	note	Jan'23 - Dec'23 <u>AED</u>
<u>Non - Current Assets</u>		
Property, Equipments and Accessories	5	42,410
Right to Use	6	22,958,014
<u>Current Assets</u>		
Bank Balance	7	2,275,005
Accounts Receivables	8	1,511,508
Deposits, Advances & Prepayments	9	2,033,140
Total Current Assets		<u>5,819,653</u>
TOTAL ASSETS		<u>28,820,077</u>
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>		
<u>Non - Current Liabilities</u>		
Lease Liability	10	22,234,502
<u>Current Liabilities</u>		
Accounts Payable	11	5,250
Other Current Liabilities	12	432,928
Total Current Liabilities		<u>438,178</u>
TOTAL LIABILITIES		<u>22,672,680</u>
<u>Shareholders' Equity</u>		
Share Capital	13	300,000
Retained Earnings	14	(126,913)
Shareholders' Current Account	15	5,974,311
Total Shareholders' Equity		<u>6,147,398</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		<u>28,820,077</u>



BASERA PROPERTIES
DUBAI - UAE

STATEMENT OF INCOME
FOR THE YEAR ENDED DECEMEBR 31, 2023

	note	Jan'23 - Dec'23 <u>AED</u>
<u>REVENUE</u>		
Revenue	16	3,447,235
Less: Cost of Revenue	17	2,271,628
Gross Profit		1,175,607
 <u>EXPENSES</u>		
General & Administration Expenses	18	(487,769)
Finance Cost		(814,751)
		(1,302,520)
 Net Profit / (Loss) for the year c/f		 (126,913)

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STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Capital</u>		<u>Retained Earnings</u>		<u>Shareholder Current A/C</u>		<u>Total</u>
	<u>AED</u>	<u>AED</u>	<u>AED</u>	<u>AED</u>	<u>AED</u>	<u>AED</u>	
Balance as at Dec 31, 2022	-	-	-	-	-	-	-
-Net Profit / (Loss) for the year	-	-	(126,913)	-	-	-	(126,913)
-Net movement in Shareholder's Current A/c	300,000	-	-	-	5,974,311	-	6,274,311
Balance as at December 31, 2023	300,000	(126,913)	5,974,311	6,147,397			

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BASERA PROPERTIES
DUBAI - UAE

STATEMENT OF CASH FLOW
FOR THE YEAR ENDED DECEMBER 31, 2023

	Jan'23 - Dec'23
	<u>AED</u>
<u>Cash flow from operating activities :</u>	
Net Profit / (Loss) for the year	(126,913)
Adjustments for :	
Depreciation & Amortization	2,025,687
Operating profit before changes in operating Assets and Liabilities :	1,898,774
(Increase) / Decrease in Accounts Receivables	(1,511,508)
(Increase) / Decrease in Deposits, Advances & Prepayments	(2,033,140)
(Increase) / Decrease in Inventory	-
(Decrease) / Increase in Accounts Payable	5,250
(Decrease) / Increase in Other Current Liability	432,928
Net Cash inflow / (outflow) from operating activities	(1,207,696)
<u>Cash flow from investing activities :</u>	
Acquisition of Fixed Assets	(25,026,111)
Net cash inflow / (outflow) from investing activities	(25,026,111)
<u>Cash flow from financing activities :</u>	
Lease Liability	22,234,502
Capital Introduced	-
Net Movement in Shareholders' Current Account	6,274,311
Net cash inflow / (outflow) from financing activities	28,508,812
Net Increase / (Decrease) in cash and cash equivalents	2,275,005
Cash and Cash equivalents at beginning of the year (net)	-
Cash and Cash equivalents at end of the year (net)	2,275,005



BASERA PROPERTIES L.L.C
DUBAI- UAE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

1 Legal status and business activity:

BASERA PROPERTIES L.L.C DUBAI, UAE, was incorporated on March 22, 2023 with trading license no 1163467.

- 1.2 The main activity of the Company is Leasing Property brokerage agents, Real Estate management supervision services, Real Estate buying & Selling brokerage.
- 1.3 The registered office of the Company is Office No.1903 The Bayswater Tower Business Bay, Dubai, United Arab Emirates
- 1.4 The Management and control is vested with Mr. Nodari Andguladze as Manager.

2 Shareholders' capital:

Authorized, issued and paid up Share Capital of the Company is Dhs. **300,000/-** .

<u>Name</u>	<u>Nationality</u>	<u>No. of Shares</u>	<u>AED</u>
1. Mr. Maxim Bryzzhin	RUSSIAN	240	240,000/-
2. Raunaq Jahan Zubair Ahmed Siddiqui	INDIAN	60	60,000/-



BASERA PROPERTIES L.L.C
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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2023

3 Adoption of new and revised International Financial Reporting Standards (IFRSs)

a) New standards, interpretations and amendments effective for the current year

The following new and revised standards and interpretations have been adopted in the current year with no material impact on the disclosures and amounts reported for the current and previous years but may affect the accounting for future transactions or arrangements:

- Conceptual framework for Financial Reporting 2018
- Amendments to IFRS 1 First-time Adoption of International Financial reporting Standards deleting short-term exemptions for first-time adopters
- Amendments to IFRS 2 share-based Payment Transaction clarifying the classification and measurement of share-based payment transactions
- Amendments to IFRS 4 Insurance Contracts applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contract
- Amendments to IFRS 7 Financial Instruments: Disclosures relating to disclosures about the initial application of IFRS 9
- Amendments to permit an entity to elect to continue to apply the hedge accounting requirements in IAS 39 for a far value hedge of the interest rate exposure of a portion of a portfolio of financial assets or financial liabilities when IFRS 9 is applied, and to extend the fair value option to certain contracts that meet the 'own use' scope exception
- Amendments to IAS 40 Investment properties clarifying transfers to, or from, investment property
- Annual improvement to IFRSs 2014-2016 Cycle to remove short-term exemptions and clarifying certain fair value measurements
- IFRIC 22 Foreign Currency Transaction and Advance Consideration
- Amendments to IAS 28 Investment in Associates and Joint Ventures providing clarification on measuring investees at fair value through profit or loss is an investment-by-investment choice.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2023

b) New standards, interpretations and amendments in issue but are not yet effective

Standards, amendments and interpretations issued but not yet effective at the date of authorization of these financial statements are listed below. The Establishment intends to adopt those standards when they become effective.

International Accounting Standards (IAS/IFRSs) date	Effective date
IFRS 17 Insurance Contracts	1-Jan-2021
IFRIC 23 Uncertainty over Income Tax Treatments	1-Jan-2019
IAS 19 Amendments Employee Benefites	1-Jan-2019
Annual Improvements to IFRSs 2015-2017	
Cycle amending IFRS 3, IFRS 11, IAS 12 and IAS 23	1-Jan-2019
Amendments in IAS 28 Investment in Associates and Joint Ventures relating to long term interests in associates and joint ventures	1-Jan-2019

The management believes that the adoption of the above amendments are not likely to have any significant impact on the financial statements of the Establishment for future years.

4 Summary of significant accounting policies:

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Boards (IASB), interpretations issued by International Financial Reporting Interpretations Committee (IFRIC), and applicable requirements of the U.A.E. Law. A summary of the significant accounting policies, which have been applied consistently, are set out below:

a) Accounting convention

These financial statements have been prepared under historical cost convention basis.

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BASERA PROPERTIES L.L.C
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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2023

b) Accrual accounting

Generally the accrual method of accounting followed for the recognition of revenue and expenses.

c) Property, plant and equipments

Property, plant and equipments are stated at cost less accumulated depreciation and identified impairment loss, if any. The costs comprise of purchase price, levies, duties and any directly attributable costs of bringing the assets to its working condition. The cost of property, plant and equipment is depreciated using the straight-line method over their estimated useful economic lives.

d) Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, which it is probable will result in an outflow of economic benefits that can be reasonably estimated.

e) Impairment of assets

Property, plant and equipments are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognised in the statement of income.

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BASERA PROPERTIES L.L.C
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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2023

- f) **Employees' terminal benefits**
- Provisions for staff statutory benefits are computed in accordance with UAE Labor Law, as amended.
- g) **Foreign Currencies**
- Transactions denominated in foreign currencies are initially recorded at the rates of exchange prevailing on the dates of the transactions. Monetary assets and liabilities denominated in such currencies are translated at the rates prevailing on the balance sheet date. Gains and losses arising are included in the statement of income.
- h) **Trade Receivables**
- Sales made on credit are included in trade receivables at the balance sheet date, as reduced by appropriate allowances for estimated doubtful amounts. Bad debts are written off as they arise.
- i) **Trade Payables**
- Trade payables are stated at their nominal value.
- j) **Cash and Cash Equivalents**
- For the purposes of the statement of cash flow, cash and cash equivalents comprise cash on hand and cash at bank.



BASERA PROPERTIES L.L.C
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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2023

k) Financial Instruments

Financial instruments comprise financial assets and financial liabilities. Financial assets and financial liabilities are recognised on the Company balance sheet when the Company has become a party to the contractual provisions of the instrument. A financial asset is any asset that is cash, a contractual right to receive cash or other financial asset, a contractual right to exchange financial instruments under conditions that are potentially favourable or an equity instrument. A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset, or to exchange financial instruments under conditions that are potentially unfavourable.

l) Comparative Figures

Previous year's figures have been regrouped / reclassified wherever necessary to conform to the presentation adopted in the current year.

m) General

Figures in the Financial Statements are rounded off to the Dirham
Direct confirmation of Bank Balances is not received by us, hence Bank Balances and Credit facilities could not be verified by us independently.



BASERA PROPERTIES
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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2023

5 PROPERTY, EQUIPMENTS AND ACCESSORIES

<u>COST</u>	<u>Office</u>	<u>Building</u>	<u>Furnitures</u>	<u>Software</u>	<u>Total</u>
	<u>Equipments</u>	<u>Equipments</u>	<u>& Fixtures</u>	<u></u>	<u></u>
	<u>AED</u>	<u>AED</u>	<u>AED</u>	<u>AED</u>	<u>AED</u>
As At December 31, 2022	-	-	-	-	-
Additions During the period	10,749	5,100	1,620	26,250	43,719
As at December 31, 2023	10,749	5,100	1,620	26,250	43,719
<u>Accumulated Depreciation:</u>					
As At December 31, 2022	-	-	-	-	-
Charges During the period	444	575	110	180	1,309
As at December 31, 2023	444	575	110	180	1,309
<u>Net Value</u>					
As at December 31, 2023	10,305	4,525	1,510	26,070	42,410

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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2023

6 Right To Use

<u>COST</u>	<u>Right to Use</u> AED	<u>Total</u> AED
As At December 31, 2022	-	-
Additions During the period	24,982,392	24,982,392
As at December 31, 2023	<u>24,982,392</u>	<u>24,982,392</u>
<u>Accumulated Depreciation:</u>		
As At December 31, 2022	-	-
Charges During the period	2,024,378	2,024,378
As at December 31, 2023	<u>2,024,378</u>	<u>2,024,378</u>
<u>Net Value</u>		
As at December 31, 2023	<u>22,958,014</u>	<u>22,958,014</u>



BASERA PROPERTIES
DUBAI - UAE

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2023

	Jan'23 - Dec'23
	<u>AED</u>
7 <u>CASH AND BANK BALANCES</u>	
Cash in Hand	34,389
Cash at Bank	2,240,616
	2,275,005
8 <u>ACCOUNTS RECEIVABLES</u>	
Trade Receivables	1,511,508
	1,511,508
9 <u>DEPOSITS, ADVANCES AND PREPAYMENTS</u>	
Security Deposits	80,940
Prepayments	-
Advance to suppliers	1,939,053
Loans & Advances (Asset)	13,147
	2,033,140



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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2023

	Jan'23 - Dec'23 <u>AED</u>
10 <u>Non - Current Liabilities</u>	
Lease Liability	22,234,502
	22,234,502
11 <u>ACCOUNTS PAYABLE</u>	
Trade Payable	5,250
	5,250
12 <u>OTHER CURRENT LIABILITIES</u>	
Deposits	54,900
Provision	3,500
Loans and Advances	215,434
Advance Received from Customers	159,094
	432,928

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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2023

	Jan'23 - Dec'23
	<u>AED</u>
13 <u>Share Capital</u>	
Opening Balance b/f	-
Amount Introduced/Withdrawan	300,000
Closing Balance c/f	<u><u>300,000</u></u>
	Jan'23 - Dec'23
	<u>AED</u>
14 <u>RETAINED EARNINGS</u>	
Opening Balance b/f	-
Net Profit / (Loss) for the year	(126,913)
Closing Balance c/f	<u><u>(126,913)</u></u>
15 <u>SHAREHOLDERS' CURRENT ACCOUNT</u>	
Opening Balance b/f	-
Net movement in Shareholder's Current A/c	5,974,311
Closing Balance c/f	<u><u>5,974,311</u></u>



BASERA PROPERTIES
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NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2023

	Jun'22 - Dec'23
	<u>AED</u>
16 <u>REVENUE</u>	
Direct Incomes	3,441,395
Indirect Incomes	5,840
	3,447,235
17 <u>COST OF REVENUE</u>	
Purchases & Other direct cost	
Add: Commission	247,250
Add: Depreciation on Right to use	2,024,378
	2,271,628
18 <u>GENERAL & ADMINISTRATIVE EXPENSES</u>	
Accounting Charges	8,300
Bad Debts	100
Bank Charges	10,588
General Expenses	67,859
Printing And Stationery	2,151
Repairs & Maintenance	66,951
Staff Salary	79,376
Travelling Expenses	3,854
Utilities & Telephone	214,401
Visa Expenses	32,880
Depreciation & Amortization	1,309
	487,769

